

Opening Address
Senator Rob Mayer, President Pro Tem
Second Regular Session, 96th General Assembly
January 4, 2012

Lt. Governor Kinder, members of the Missouri Senate, our families, friends, and fellow Missourians:

We have returned here today to begin the second regular session of the 96th General Assembly with many similar challenges facing us today as we did one year ago. For nine of us this is our final session due to term limits. The senator from the St. Francois, the senator from the 11th, the senator from the 13th, the senator from the Clay, the senator from Stoddard, the senator from Cape Girardeau, the senator from Lawrence, and the senator from Howell, it has been an honor and privilege to serve with each of you.

For eight others it is a reelection year.

Given these factors some predict not much will be accomplished. I say the time for speculation is over. Rather we must act, and do so swiftly to pass a balanced budget without a tax increase for the people of Missouri and to help put Missourians back to work in this stagnant and weak economy. Missouri's taxpayers and workforce deserve nothing less.

One of our toughest challenges this year will again be crafting a state budget that spends no more than the state takes in through revenue collections. As we weather the biggest economic recession since the Great Depression, Missouri is one of a few states in good financial condition. In fact, we are one of only seven states with a Triple A Bond rating.

That is because over the past three years we have been prudent and made tough fiscal decisions. Our current budget lives within the taxpayers' means,

funds the critical functions of government, protects our most vulnerable and makes education funding a priority.

To date, our state's revenue is showing signs of growth, but not much. Unfortunately, slow revenue growth, increased mandatory expenses in programs like Medicaid, and the end of more than \$400 million in one-time federal stabilization dollars means we could be forced to make further reductions in the upcoming budget for Fiscal Year 2013.

In 2010, I led the appropriations process in order to reduce spending by more than half a billion dollars to make sure the state lived within its means. The Senate, in cooperation with the House, took the reins after the governor presented an unbalanced budget and came to us mid-session to share the full and dismal financial reality our state faced.

We made tough decisions. And we will be prepared to make tough decisions again. However, we first need a governor that will present an honest budget forecast – no matter how unpopular – and then recommend a budget that is balanced. That includes not basing his balanced budget on special legislation that must pass.

To do so, he must embrace common sense solutions such as those presented by the Missouri Working Group on Sentencing and Corrections. This unprecedented, bipartisan and inter-branch collaboration has examined the data and made recommendations on how to give taxpayers a better public safety return on their corrections dollars while keeping Missouri safe.

Missouri's prison population more than doubled between 1990 and 2005, with the total number of inmates hovering at 30,000 today. More alarming is that during that same period, spending on corrections increased by 249 percent. Along with other state leaders, I helped establish this working group led by the senators from the 29th and 10th that has found we can improve public safety and lower the burden on taxpayers by adopting proven, evidenced-based approaches to reduce recidivism and hold offenders accountable. I expect our chamber to

pass legislation based on this working group's recommendations that will provide Missouri with a better public safety return on its investment in corrections.

In the same vein, we will also visit the recommendations senators made last year as part of our Rebooting Government Initiative. In this ongoing budget crisis, we must continually examine ways to reduce the size and scope of state government so taxpayers can afford to sustain it.

I understand, we understand, and now the governor must understand, it is ideas like these that we must consider in order to continue to make education funding a priority.

Education will continue to be a priority for us. In the current fiscal year that began July 1, we demonstrated our commitment to education by voting to maintain the school funding formula at its current level; voting to lessen a 7 percent cut to higher education proposed by the governor by adopting a \$12 million increase for Missouri's two- and four-year colleges and universities; and voting to increase Missouri's K-12 school busing line item by \$10 million that the governor is currently withholding.

By lessening that 7 percent cut, we allowed our colleges and universities to find and pass on real savings to out-of-pocket expenses students would have incurred. We're hoping the governor will release the K-12 transportation funding to help prevent local schools from having to raid funding for our classrooms or other dollars directed to education.

Plus, we voted to restore funding to ACCESS Missouri Scholarships to help Missouri students attend the in-state public or private college or university of their choice.

We will continue to make education a priority in funding and resources in the 2012 Legislative Session.

This year, we will also continue our efforts to help put Missourians back to work in good paying jobs with benefits. A few years ago, we eliminated the

corporate franchise tax for three out of every four Missouri businesses. Last session, we were successful in setting in motion a phase-out of this unfair, double taxation for all Missouri businesses. We said this move would encourage investment by large corporations in Missouri and it has. Since its passage, two major auto-manufacturing companies have announced plans to invest a total of nearly \$1.5 Billion creating 3,260 new jobs. Rather than growing government through higher taxes, we have allowed corporations to invest this money in growing their businesses and hiring new employees.

But our work is not done. While the number of unemployed Missourians has decreased, it is still too high. As of November, 8.2 percent or more than 250,000 Missourians are still out of work.¹

As we talk about creating jobs, it is important to understand we are not in a vacuum. We must compete nationally, and even globally, in order to have new companies locate here and existing companies choose to expand their operations here.

Our plan in the Senate starts by curbing excessive regulations, restoring balance to the Missouri Human Rights Act and returning the Workers' Compensation System as the exclusive remedy for workplace accidents.

A measure filed in the Senate would rein in excessive regulations and rules created by state agency boards comprised of un-elected bureaucrats. Few things can bring private sector growth to a halt more quickly than overly contrived red tape. That is why we must tear down the walls that are economic barriers to all businesses in Missouri. Oversight and accountability of these regulations would come about through several key goals, including creating ten-year sunsets for new and existing rules and regulations; preventing obsolete, duplicative or conflicting rules; consideration of eliminating unnecessary paperwork; and ensuring rules are narrowly tailored while still providing adequate protection of the public.

We will revisit legislation the governor vetoed that would improve employers' ability to hire and retain quality workers by ending lawsuit abuses. The bill would bring state law in line with federal human rights laws, allowing employers to invest more in jobs rather than spending money on lawsuit abuses and their increased attorneys' fees.

We will also work to restore protections for individual employees from personal lawsuits for honest accidents at work. Missouri employees and employers currently face higher risks due to a court decision. By abrogating this decision, Missouri employees will no longer be at risk of personal lawsuits stemming from workplace injuries and will no longer have to seek insurance to protect against lawsuits if an accident were to occur.

We all realize one of the keys to our success when it comes to economic development is directly tied to the development of our future workforces. If we fail to have a prepared, highly educated and well-trained workforce we will not be able to attract new businesses to locate here – especially those that demand employees with specialty degrees or skill sets.

We must also address the revolving door of drop outs and failed policies in our state's two largest school districts: St. Louis and Kansas City. Both have a decades-old cycle of failing their students. We must look to promote solutions to end this vicious cycle by bringing these school districts up to par so that every Missouri student has an equal opportunity for a world-class education.

We will also work to make sure Missourians are better represented when it comes to the select few who ultimately interview and choose the appellate judges who serve the people of our state. There must be more transparency and accountability than what exists in the current process.

Last year we took a step to enhance the accountability of how Missourians' tax dollars are spent. The work of a new committee began and its members were tasked with examining how state departments were spending taxpayer dollars.

When I created this committee last year, I could not have envisioned how important it would be in determining the state's role in failed economic development projects in Missouri communities. The senator from the first and his colleagues continue to delve into the details of at least two failed projects – Mamtek and WiFi Sensors.

And they will not stop until they finish their due diligence in determining whether or not our state economic development department did their due diligence when recommending these ultimately failed projects. This committee will report on how to prevent similar failures from happening to other Missouri communities.

We have much to do this year. As we each prepare ourselves to be away from our families and communities for the coming months, also prepare yourself to be ready to act and complete these important goals to benefit the people of Missouri.

In the Senate, we have enjoyed a unique cooperation that bridges party lines. At the end of the day, we work together to do what is in the best interest of Missourians. With that foundation, I believe we can accomplish much this year to put Missouri on a successful, long-term sustainable path for the future.

Thank you.

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1 Bureau of Labor Statistics, Data extracted Dec. 28, 2011.
(<http://data.bls.gov/timeseries/LASST29000003>)